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BEFORE THE ARIZONA CORPORATION CO.

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DOCKET CONTROL

SUSAN BITTER SMITH - Chairman **BOB STUMP** AZ CORP COMMISSION

**BOB BURNS** 

**COMMISSIONERS** 

TOM FORESE DOUG LITTLE Arizona Corporation Commission DOCKETED

JUN 1 1 2015

**DOCKETED BY** 

DAB

IN THE MATTER OF THE APPLICATION OF GREAT PRAIRIE OASIS, LLC D/B/A SUNLAND WATER COMPANY FOR A PERMANENT RATE INCREASE.

DOCKET NO. W-04015A-15-0083

## PROCEDURAL ORDER

## BY THE COMMISSION:

On March 6, 2015, Great Prairie Oasis, LLC dba Sunland Water Company ("Sunland" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a permanent rate increase ("Application"). On March 30, 2015, the Company docketed corrections to the Application.

On April 1, 2015, the Commission's Utilities Division ("Staff") notified the Company that its Application was sufficient pursuant to the Arizona Administrative Code ("A.A.C."), and classified Sunland as a Class E public utility.

Staff filed its Staff Report on May 29, 2015.

After review of the Staff Report, there are certain points that should be addressed by Staff.

IT IS THEREFORE ORDERED that Staff shall file a supplement to the Staff Report no later than June 26, 2015, addressing the following points:

- On Schedule JLK 2, Staff states there are Accumulated Deferred Income Taxes (ADIT) of \$1,495. Sunland's Application does not reference an ADIT balance. Staff should supply support for the ADIT amount.
- On Schedule JLK 7, Staff's calculation of the Debt Service Coverage (DSC) includes WIFA's debt service reserve. However, the letter from WIFA to the Company attached as an exhibit to the Application states that WIFA does not include

the debt service reserve in its DSC calculations; only principal and interest. Staff should provide support for its DSC calculations.

- Also on Schedule JLK 7, Staff's recommended Property Taxes and Income Taxes
  differ from those stated on Schedules JLK 1 and JLK 6. Staff should explain the
  discrepancy.
- Staff shall provide updated Schedules if any of the items listed above contain errors, including all Schedules affected by flow-through calculations.

IT IS FURTHER ORDERED that Sunland shall docket its comments to Staff's supplement, if any, no later than July 10, 2015.

IT IS FURTHER ORDERED that the time clock in this matter is extended to August 28, 2015.

IT IS FURTHER ORDERED that the *Ex Parte* Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that the time periods specified herein shall not be extended pursuant to Rule 6(a) or (e) of the Arizona Rules of Civil Procedure.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this May of June, 2015.

BELINDA A. MARTIN

ADMINISTRATIVE LAW JUDGE

1	Copies of the foregoing mailed
2	this day of June, 2015, to:  Judy Wischer GREAT PRAIRIE OASIS, LLC DBA
3	
4	SUNLAND WATER COMPANY 7502 East Hazelwood Street
5	Scottsdale, AZ 85251
6	Janice Alward, Chief Counsel Legal Division
7	ARIZONA CORPORATION COMMISSION 1200 W. Washington Street
8	Phoenix, AZ 85007
9	Steven M. Olea, Director Utilities Division
10	ARIZONA CORPORATION COMMISSION 1200 W. Washington Street
11	Phoenix, AZ 85007
12	By: James Sand
13	Tammy Velarde Assistant to Belinda A. Martin
14	Assistant to Bennda A. Martin
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